REPORT OF WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

FOR THE YEAR ENDING DECEMBER 31, 1985

86-03842/

TO HIS HONOUR

The Honourable Alan R. Abraham, CD

Lieutenant-Governor of the Province of Nova Scotia

May it please your Honour:

I have the honour to submit herewith the Report of the Workers' Compensation Board of Nova Scotia for the year ended December 31, 1985.

Respectfully submitted,

BRIAN YOUNG

Minister of Labour

SUMMARY OF MAJOR BENEFIT CHANGES SINCE 1917

Maximum earnings basis of Compensation:	$ 1200.00 to December 31, 1937
	1500.00 effective January 1, 1938
	2000.00 effective March 29, 1945
	2500.00 effective May 1, 1949
	3000.00 effective April 10, 1952
	3600.00 effective April 1, 1959
	4200.00 effective May 1, 1962
	5000.00 effective May 1, 1966
	6000.00 effective July 1, 1968
	7000.00 effective July 1, 1971
	9000.00 effective January 1, 1974
	12000.00 effective January 1, 1976
	15000.00 effective January 1, 1980
	19000.00 effective January 1, 1982
	24000.00 effective January 1, 1985
	28000.00 effective January 1, 1986
Percentage of earnings for computation of Compensation:	
	55% to December 31, 1929
(Lumbering)	55% to April 30, 1930
	60% effective January 1, 1930
(Lumbering)	60% effective May 1, 1930
	66 2/3% effective January 1, 1938
(Lumbering)	66 2/3% effective May 1, 1944
	70% effective April 1, 1956
	75% effective April 1, 1959
Maximum Weekly Compensation Paid:	$ 12.69 to December 31, 1929
	13.85 effective January 1, 1930
	19.23 effective January 1, 1938
	25.64 effective March 29, 1945
	32.05 effective May 1, 1949
	38.46 effective April 10, 1952
	40.38 effective April 1, 1956
	51.92 effective April 1, 1959
	60.58 effective May 1, 1962
	72.11 effective May 1, 1966
	86.54 effective July 1, 1968
	100.97 effective July 1, 1971
	129.81 effective January 1, 1974
	173.08 effective January 1, 1976
	216.35 effective January 1, 1980
	274.04 effective January 1, 1982
	346.15 effective January 1, 1985
	403.85 effective January 1, 1986
Spouse's Pension:	$ 20.00 per month to September 30, 1920
	30.00 per month effective October 1, 1920
	40.00 per month effective May 1, 1943
	50.00 per month effective May 1, 1948
	60.00 per month effective April 1, 1959
	75.00 per month effective May 1, 1962
	90.00 per month effective July 1, 1965
	100.00 per month effective July 1, 1970
	115.00 per month effective July 1, 1971
	225.00 per month effective January 1, 1974
	*252.00 per month effective January 1, 1975
	*273.00 per month effective January 1, 1976

*284.00 per month effective January 1, 1977
*307.00 per month effective January 1, 1978
*332.00 per month effective January 1, 1979
*359.00 per month effective January 1, 1980
*395.00 per month effective January 1, 1981
425.00 per month effective December 1, 1981
*476.00 per month effective January 1, 1982
*515.00 per month effective January 1, 1983
*536.00 per month effective January 1, 1984
*547.00 per month effective January 1, 1985
*569.00 per month effective January 1, 1986

On a fatal injury to a worker, a $100.00 special widow's lump sum allowance was authorized on May 1, 1948, revised to $150.00 effective April 1, 1959, to $250.00 effective July 1, 1965, to $500 effective January 1, 1974 and to $1000.00 effective July 1, 1979. Thereafter the monthly pension is paid.

Children's Pension:		**Orphans**
(Maximum of 4)	$ 5.00 per month each to September 30, 1920	$ 10.00
	7.50 per month each effective October 1, 1920	15.00
	10.00 per month each effective May 1, 1943	20.00
	12.50 per month each effective May 1, 1949	22.50
	15.00 per month each effective April 1, 1951	25.00
	20.00 per month each effective May 1, 1953	30.00
(Maximum of 5)	20.00 per month each effective April 1, 1956	30.00
	22.50 per month each effective April 1, 1959	30.00
(No Maximum)	22.50 per month each effective May 1, 1960	30.00
	25.00 per month each effective May 1, 1962	35.00
	30.00 per month each effective July 1, 1965	35.00
	38.00 per month each effective July 1, 1970	45.00
	45.00 per month each effective January 1, 1974	60.00
	*51.00 per month each effective January 1, 1975	68.00
	*56.00 per month each effective January 1, 1976	74.00
	*59.00 per month each effective January 1, 1977	77.00
	*64.00 per month each effective January 1, 1978	84.00
	*70.00 per month each effective January 1, 1979	91.00
	*76.00 per month each effective January 1, 1980	99.00
	*84.00 per month each effective January 1, 1981	109.00
	110.00 per month each effective December 1, 1981	110.00
	*124.00 per month each effective January 1, 1982	124.00
	*134.00 per month each effective January 1, 1983	134.00
	*140.00 per month each effective January 1, 1984	140.00
	*143.00 per month each effective January 1, 1985	143.00
	*149.00 per month each effective January 1, 1986	149.00

Maximum allowance for widows and children in:	1917	$ 40.00
	1920	60.00
	1943	80.00
	1948	90.00
	1949	100.00
	1951	110.00
	1953	130.00
	1956	150.00
	1959	172.50
	1960	No Maximum

*These increases effective January 1, in each of the years 1975 to 1986 inclusive resulted from the provisions of section 38A (1973 Amendment) whereby certain awards are increased in accordance with changes in the Consumer Price Index.

REPORT FOR 1985
OF
WORKERS' COMPENSATION BOARD
OF NOVA SCOTIA

March 6, 1986
Halifax, Nova Scotia

HONOURABLE BRIAN YOUNG
MINISTER OF LABOUR

Honourable Sir:

The Workers' Compensation Board is pleased to submit its Report for the year ended December 31, 1985.

The various sections of this Report will show, through the financial exhibits and tables of statistics, that the operations of the corporate W.C.B. continue to grow. There was a decrease in volume of claims reported for 1985, however claim indemnity benefits and the number of industries covered have increased over the past year.

The frequency of accident trend line fluctuates between industries but severity measurements or the cost of accidents are increasing in some industries.

1985 Highlights

1. General

Claims benefits of $55,955,111. and assessment premiums (including self insurers) of $55,503,561. are the highest levels recorded.

Further details on Income and expenditure are shown in Exhibit 3.

2. Benefit Increases

An Order in Council provided for an increase to $28,000.00 maximum annual earnings for compensation purposes to be effective January 1, 1986.

3. Consumer Price Index

As provided by the 1973 Amendment to the statute, survivors benefits and permanent disability benefits are increased yearly in accordance with changes in the Consumer Price Index. The latest general increase of 4% occurred on January 1, 1986. Particulars of the increased benefits are noted later on in this report.

4. Public Relations

We continue to expand the program of meetings and addresses to industry,

Management and labour groups. This function was undertaken by Members of the Board of Commissioners and Staff. As in the previous year we continued to focus in 1985 on better health and safety practices within the Health Care Sector.

5. Accident Prevention

This report will be the last year for recording the activities of the Accident Prevention Department. Effective January 2, 1986 the staff becomes part of the Occupational Health and Safety Division of the Department of Labour.

The Board of Commissioners wishes to acknowledge the significant contribution this Department has made over the years to the operation of the Workers' Compensation Board.

6. Rehabilitation

The Rehabilitation Department continues its program of assistance to injured workers. Details of their activities are reported further on in this report.

7. 1985 Report

The following sections of this report include a general summary and review, financial statements and tables of statistics relating to the operation of the Workers' Compensation Board of Nova Scotia.

8. Staff

During 1985 extensive organizational changes were made not only within the staff but to the office environment itself. Renovations to the building and relocation of departments within the Workers' Compensation Center have taken place. These were designed to improve the efficiency of the operations and provide a better level of service to the injured workers of Nova Scotia.

The Board of Commissioners wishes to acknowledge its warm appreciation of the manner in which staff has co-operated during this period of disruption and acknowledges its flexibility in adapting to the restructuring of Departments.

Respectfully submitted,

REGINALD J. ALLEN,
Chairman & General Manager

C. BURTON COUTTS,
Vice-Chairman

JAMES H. VAUGHAN,
Commissioner

C. GREGORY HICKS,
Commissioner

GENERAL SUMMARY AND REVIEW

Claim Statistics

Year 1985

The accidents so far reported for 1985 and which occurred in that year were as follows:

(Final 1985 Statistics will be shown in the 1986 Report)	
Fatal accidents reported and compensable	16
Accidents causing Permanent Partial Disability	219
Accidents causing compensable Total Disability	11,544
Accidents causing disability where medical aid only	15,877
Claims non-compensable (not compensable disability, accident did not arise out of or occur in the course of employment, cases with no time loss nor medical attention, not in industry under coverage, claims reports not filed, etc.)	1,854
	29,510

Comparative accident figures for the previous fifteen years are shown below:

1984	30,730	
1983	28,537	5 Year Average
1982	29,700	30,761
1981	32,000	
1980	32,837	
1979	33,107	
1978	30,185	5 Year Average
1977	29,625	30,860
1976	30,317	
1975	30,438	
1974	33,088	
1973	29,254	5 Year Average
1972	28,171	28,262
1971	25,673	
1970	25,122	

Years 1917 - 1985

Act passed in 1915. Became operative January 1, 1917.	
Since January 1, 1917, when the Act first went into effect, the total number of claims received up to December 31, 1985	1,314,996
The number of workers killed	3,660
The number of widows pensioned	2,321
The number of children pensioned	4,922
Cases where permanent disability awards made	28,747
Total costs of Benefits (in dollars)	$633,082,177.

SUMMARY OF PRESENT BENEFIT SCALES

(Effective January 1, 1986)

The maximum yearly earnings compensated on, and the maximum for assessment premium purposes		$28,000.00
The maximum weekly earnings compensated on		$ 538.46
The maximum weekly compensation		$ 403.85
The minimum weekly compensation		$ 120.00
The rate of compensation		75%
Spouse's pension *	$ 569.00 per month	
Spouse's remarriage allowance *	$2,912.00	
Widow's/widower's special allowance following loss of spouse, in addition to pension	$1,000.00	
Funeral expenses paid to	$ 750.00	
Transportation of body	$ 300.00	
Children's pension *	$ 149.00 per month each and no limit as to number of children	
Orphan's pension *	$ 149.00 per month each and no limit as to number of children	
Other dependents' pension *	$ 182.00 single dependent	
*	$ 238.00 multiple dependents	

***Note:** These increases effective January 1, 1986 resulted from the provisions of Section 38A (1973 Amendment), whereby certain awards are increased in accordance with changes in the Consumer Price Index.

SUMMARY OF MAJOR BENEFITS PAYABLE

Compensation

1. An employee covered under workers' compensation is covered for personal injury by accident arising out of and in the course of employment, and if totally disabled for a period of at least THREE days is entitled to compensation computed at the rate of 75% of his average yearly earnings paid from the date of the accident and paid for the period of disability. The maximum earnings which can be used for computation of compensation is $28,000 per annum. The minimum compensation payable for total disability is $120.00 per week.
2. For **partial disability** the compensation payable is 75% of the difference between the average earnings before the accident and the average amount which the employee is able to earn after the accident, and such compensation is payable only so long as the disability lasts.

Pension Awards

1. Where there is PERMANENT DISABILITY, either **total** or **partial**, compensation is payable for life calculated on the same basis as noted above usually paid monthly, provided, however, that the minimum payable for **permanent total disability** is $530.00 per month, regardless of lower average earnings.
2. Where death results from an injury, the **burial expenses** up to $750.00 are paid and in addition up to $300.00 towards the expense of transportation of the body if necessary. The widow/widower is paid a lump sum of $1,000.00 and thereafter a **monthly payment** of $569.00 until the death or remarriage. Where there are dependent children, a **monthly payment** of $149.00 for each child to age eighteen. (E.G. the pension payable to a widow/widower and five children is $1,314.00 per month). If education is continued, a child's allowance can be paid to the end of the school year in which age twenty-one is attained. Where there is no widow/widower or children but other persons were dependent on the employee, such dependents may be awarded pension payments not exceeding $238.00.

Medical Aid

Medical Aid is provided including hospitalization, medical attention, surgery, etc. Necessary drugs as prescribed by the attending physician for treatment of the compensable disability are provided.

GENERAL DATA

Workers' Compensation is administered by the Workers' Compensation Board of Nova Scotia, a corporate entity by statute. Accident costs including compensation, medical aid and rehabilitation, disability awards, fatal and survivors benefits and cost of administration and accident prevention are met by the raising of funds through assessments or premiums on employers together with earnings realized on investments, etc. The scheme is basically one of mutual accident insurance.

Who is a Worker?

In workers' compensation "worker" embraces all employees of an employer and indeed includes such persons as contractors or sub-contractors who are not directly assessed, and include casual or part-time employees. In the case of an individual proprietor or a partnership, the employer or partners are not

themselves covered except by special application. In the case of a corporate enterprise, all employees are included. This includes the company president, general manager, in fact all officers actively engaged in the enterprise's operations and in receipt of remuneration.

Assessment and Coverage

Practically all principal industries and commercial undertakings are covered by workers' compensation.

The principal of coverage is in keeping with Canadian workers' compensation under the concept of collective liability within an industry. Industries are classified into main classes and within each class are subdivided or grouped on the basis of the industrial undertaking or the grouping of small industries with like accident hazards and loss possibilities.

As of the end of December 1985 there were 13,601 firms assessed under the Act.

Financial Structure

All industries and undertakings under workers' compensation are classified according to their hazard and accident risk into classes and groups. Separate records are kept for each and the assessment rate for an industry is determined based on the experience loss ratios in each class and for industrial groups within each class in relation to payrolls.

Assessments or premiums must be sufficient to meet accident costs including compensation, medical aid, disability awards, fatal benefits and to provide for the cost of administration and industrial safety.

The function of assessments is to provide a fund for the payment of accident costs in industry. The assessment rate structure is based on the principal of mutual collective liability in the industry.

A Capitalized Pension Reserve is set up for pension awards to permanently disabled workers and to widows, widowers and children. These Reserves are set aside at the then present value of all payments to be made to the pensioner through his or her lifetime and are computed from Actuarial Tables.

Certain Reserves have to be set aside for contingent, and disaster provisions so as to provide for and lessen the impact of any major industrial accident occurrence.

Earnings from investments covering the pension liability fund and the general accident fund constitute an all important factor in the financial operation of the W.C.B. These earnings not only are of prime importance in permitting reasonable costs for present value capitalization but contribute greatly to the enhancement of assessment or premium rates.

Extended Coverage

While practically all principal industries, business and commercial undertakings are covered, some industries and commercial enterprises are not automatically within the scope of workers' compensation.

However, in practically all cases where coverage is not obligatory, employers can cover their employees simply on application to the W.C.B.

Medical Aid

Medical Aid required due to injury arising out of and in the course of employment includes hospitalization, medical care, surgery, medical and physical rehabilitation, necessary prescribed drugs, etc.

The rising cost of medical aid is indicated by comparing the total medical aid costs from year to year. For example, 1985 total medical aid costs amounted to $9,549,270.; 1984 — $9,087,920.; 1983 — $7,838,169.; and if we go back ten years to 1976 the costs for the year were $3,179,664.

Part of the increase is, of course, due to an increase in the severity of accidents by virtue of changing industrial activity and expanding work force but a substantial factor is increased costs in medical attention and hospitalization.

Medical Care

A most important aspect in the treatment of injured employees, timely return to the job, therapy treatment, etc., revolves, of course, on the medical profession generally.

The general rule in respect to compensation cases is that the injured worker is completely free to choose his own doctor. Subsequent required treatment or examination by medical specialists or consultants is arranged either by the attending physician or in conjunction with the medical officer of our staff.

COAL MINERS' PNEUMONOCONIOSIS

It again bears repeating that one of the problem areas in the workers' compensation field in Nova Scotia, for the most part little known to the general public, are the chest conditions causing disability variously known as "silicosis" and coal miners' "pneumonoconiosis" or the comprehensive medical term "pneumonoconiosis". These industrial diseases are unique to certain industries.

The Workers' Compensation Statute has specific provisions for these industrial diseases and compensation benefits for the disabling effects of these chest conditions.

The coal mining industry has experienced the most disabling number of claims for silicosis and coal miners' pneumonoconiosis, with the latter being by far more prevalent. Other industries, such as foundries, sand blasting and hard rock mining can result in the condition known as silicosis.

The disabling effect is due to employment where there is a high dust hazard. This then arises where employment involves exposure to an industrial dust environment.

Silicosis and Coal Miners' Pneumonoconiosis are highly complex disease processes and problems arising in the processing of claims for disablement due to the conditions are well known to workers' compensation organizations, particularly where coal mining is undertaken involving dust hazards.

Among the most significant problems are:

(a) the slow development of the disease and the difficulties of early and positive diagnosis;

(b) the varying susceptibility of the individual;

(c) the wide variation in intensity of exposure, not merely as between mines (or other operations in high-silica rock), but as between one area and another in any given mine;

(d) the fact that x-rays and other testing procedures are of comparatively recent adoption;

(e) the frequency with which coal miners' pneumonoconiosis is associated with other pulmonary disease.

In Nova Scotia up to the end of 1969, about 800 claims were made and considered where there was some indication that silicosis or coal miners' pneumonoconiosis might have been present. Since then, claims made and considered have increased considerably with most of the cases coming from the Cape Breton mining area. New cases first reported during the period 1970 - 1980 total 3,599.

Cases which, based on the medical evaluation, are found to be compensable are awarded compensation benefits.

In mid 1981, Section 9A of the Act referring to coal miners' pneumonoconiosis and silicosis was repealed and replaced with the following section:

"Any coal miner who has worked at the face of a mine or in similar conditions for twenty years or more and who suffers from a loss of lung function will be compensated according to his disability."

Once an application has been received, it must be determined if the applicant has the required number of years employment in concert with the intention of Section 9A. After this has been established, an appointment is

arranged to have the individual undergo pulmonary function tests either in Glace Bay or Halifax.

In 1980 a pulmonary function unit was opened in Glace Bay which alleviated the necessity for long travel and delays. The Board utilizes this unit thus speeding up the processing of claims. Such cases which based on the medical evaluation are found to be compensable are awarded compensation benefits.

Claims being paid as a result of this amendment total 1,517 as of December 31, 1985.

The W.C.B. continues to work closely with Devco in promoting the use of masks by miners and in other programs for the prevention of accidents and safety in the workplace.

REHABILITATION

An important area of workers' compensation benefits is in the field of rehabilitation. Rehabilitation services are provided to aid recovery from the effects of an accident and return to work.

The aim of rehabilitation is to return the injured worker to gainful employment with recovery as near as possible to his physical status prior to the accident.

Rehabilitation services may include medical and surgical treatment, physiotherapy or other therapy. The W.C.B. has expanded and extended its rehabilitation work, particularly for occupational rehabilitation.

Physical Rehabilitation

Physical or medical rehabilitation involves therapy treatment as prescribed by the attending doctor or by specialists to whom the claimant is referred.

This includes physiotherapy, thermotherapy, muscle re-education and stimulation, whirlpool baths, etc.

Some of the W.C.B.'s in Canada operate their own rehabilitation centres and clinics. In Nova Scotia physical rehabilitation is provided at rehabilitation centres, e.g. Nova Scotia Rehabilitation Centre, Victoria General Hospital physiotherapy department, out-patient therapy facilities in various other hospitals in the Province.

Occupational Rehabilitation

Occupational rehabilitation activities include efforts to arrange for retraining of claimants unable to resume former employment, placement of claimants in

suitable employment, replacement of claimants with former or other employers, various retraining programs in conjunction with Canada Manpower and other agencies, counselling, etc.

These activities require liaison with the industry in which the injured employee was employed and indeed with personnel and employment officers of industry in general.

The W.C.B. now has four counsellors assigned for rehabilitation work with claimants.

Many case interviews and follow-up procedures were undertaken by the rehabilitation counsellors and these included interviews with Disabled Claimants, Management, and Personnel Officers of Industry, Canada Manpower Employment and Retraining Counsellors, Rehabilitation Centre Counsellors, Department of Social Services Counsellors, Vocational School Guidance Counsellors, Nova Scotia Institute of Technology Counsellors — Halifax and Sydney.

Other cases have been referred to Canada Manpower for job placement or are in the process of evaluation and assessment for on the job training, upgrading or other retraining programs.

However, prior to referring a candidate for vocational retraining, arrangements are made to have him assessed professionally through the facilities of the Nova Scotia Rehabilitation Centre to determine his capabilities for a particular training program.

Through the efforts of this rehabilitation program during the year, 94 claimants were returned to the work force in various capacities and another 73 underwent upgrading and trades retraining. In all 243 claimants were referred to the rehabilitation group for assistance.

CONSUMER PRICE INDEXING INCREASE IN BENEFITS

A 1973 statutory amendment which added Section 38A provided for increases in permanent disability and survivor's benefits based on changes in the Consumer Price Index. The increases are on a percentage basis, equated to each full 2% increase in the Consumer Price Index over the preceding or base year.

This scheme became effective January 1, 1975 when the increases for the aforenoted cases were based on a 12% factor considering the climb in the Consumer Price Index from December 31, 1973 to December 31, 1974.

On January 1 of each succeeding year, increases based on the CPI have been applied and on January 1, 1986 a further increase of 4% became effective on all these benefits.

Costs and cost projections based on the Consumer Price Indexing are as follows:

Calendar Year	General Industry Classes 1 - 9	Self Insurers	TOTAL
1975	$ 630,129.	$ 235,518.	$ 865,647.
1976	1,159,795.	434,146.	1,593,941.
1977	1,422,900.	545,438.	1,968,338.
1978	1,906,533.	756,111.	2,662,644.
1979	2,419,705.	975,273.	3,394,978.
1980	3,155,157.	1,246,795.	4,401,952.
1981	4,049,356.	1,618,084.	5,667,440.
1982	5,297,813.	2,339,426.	7,637,239.
1983	6,149,218.	3,002,285.	9,151,503.
1984	6,595,837.	3,183,298.	9,779,135.
1985	6,779,706.	3,351,251.	10,130,957.
1986	6,983,000.	3,485,000.	10,468,000.

Therefore for the past eleven years, ie: 1975 to 1986 when the indexing provisions will have been in effect, general industry business and commerce cases will result in a cash flow of $46,549,149. So called self-insurers employers, ie: Federal Government, Provincial Government, Canadian National Railways, Cape Breton Development Corporation, etc. $21,172,625. Self Insurers C.P.I. increases are recovered monthly from the self-insurer as coverage is on a cash recovery basis.

In respect to general industry, business and commerce, the W.C.B. is responsible for the cost of increases in awards including 1975 and prior cases.

Since January 1, 1981, Consumer Price Indexing costs for ALL years has been charged on a cash flow basis directly to the Accident Fund. Following a revaluation of the Pension Fund carried out in 1980 by our actuaries, an amount was released from the Pension Liability Fund and a Contingent Reserve was established to provide for future increases in the Consumer Price Index. (See Exhibit 7A).

The Consumer Price Indexing provision applies to all Permanent Disability and survivor's benefit cases. The cost of providing for such indexing has to be included in assessment premium rates, and from investment yields.

Presuming that inflation continues over the years, the cost factors based on probable C.P.I. increases and the compounding factor each year shall be very substantial in the years to come.

WORKERS' COMPENSATION APPEAL BOARD

A 1975 amendment to the Statute repealed the former provisions for a Medical Review Board, and made provisions for the Government appointment of a Workers' Compensation Appeal Board which according to the amendment is to be a permanent organization to hear claims appeals under the criteria set out in the amendment. The organization, administration and decision making of the Appeal Board is completely apart from the W.C.B., and it is a separate organization therefore.

The Government directed that certain administrative costs of the Appeal Board in 1975 were to be borne by the W.C.B. A further amendment to the statute at the Fall Session 1975 provided that all salaries, remuneration, fees, costs, charges and expenses of the Appeal Board and of its members, officers, servants and persons engaged to advise it shall be paid out of the Accident Fund, i.e. by the W.C.B.

There were no claims heard and decided on by the Appeal Board until 1976.

Therefore, considering the costs of claims benefits awarded by the Appeal Board and its administrative costs, the total since its appointment are:

Year	Claims Costs of Benefits Awarded	Administrative Costs	Total Costs
1975	$ —	$ 12,388.	$ 12,388.
1976	664,874.	114,081.	778,955.
1977	750,980.	117,756.	868,736.
1978	713,826.	125,787.	839,613.
1979	779,490.	131,039.	910,529.
1980	1,364,740.	152,091.	1,516,831.
1981	1,029,040.	169,930.	1,198,970.
1982	1,804,799.	211,465.	2,016,264.
1983	1,604,461.	223,487.	1,827,948.
1984	2,197,000.	251,416.	2,448,416.
1985	2,600,291.	248,944.	2,849,235.

Both the costs of claims benefits and administrative costs are included in assessment premium rates and borne by the general Accident Fund.

PENSION LIABILTY FUND

This Fund is authorized by Section 90 (2) of the Workers' Compensation Act.

"The Board may, in respect of any industry or class where it is deemed expedient, assess, levy and collect in each year a sufficient amount to provide

capitalized reserves which shall be deemed sufficient to meet the periodical payments accruing in future years in respect of all accidents during such years."

For pension awards to widows/widowers and children and to permanently disabled workers whether totally or partially disabled, reserves are set aside at the then present value of all payments to be made to the pensioner through his or her lifetime and are computed from actuarial tables. These actuarial tables are reviewed and revised every five years with Actuarial Consultants based on a complete examination and evaluation of our loss experience, life expectancy tables, etc.

These pension reserves TOGETHER WITH THE INTEREST EARNED, are sufficient to take care of all our pension cases, so far as it is possible to calculate on an actuarial basis. Therefore, these capitalized reserves are required to take care of the Board's liability for pensions awarded and are not available for any other purpose.

The amount in the fund at the end of 1985 was $65,258,582. (See Exhibit 7) and represents the present value of our future liability to the following pensioners.

4,859	Claimants disabled for life, wholly or partially
679	Widows
379	Children
23	Other dependents
5,940	

These figures exclude self-insurer cases (over 3,950) which are financed on a current cost basis.

A complete examination and evaluation of our loss experience and other disability and mortality factors was undertaken during 1985 in conjunction with William M. Mercer Limited, Consulting Actuaries, and revised actuarial tables compiled and revised tables used to revalue the Pension Fund and for capitalizing all awards as from January, 1, 1985. An actuarial evaluation and necessary revisions in actuarial tables is undertaken every five years.

STAFF PENSIONS LIABILITY FUND

This reserve account is to take care of the W.C.B. liability for the portion of those pensions to which retired employees are entitled, which the Provincial Superannuation Fund does not cover, and which represents the years of service prior to May 1, 1942, when the Superannuation Act became effective. The Commissioners and staff now contribute to the Public Service Superannuation Fund for superannuation purposes by virtue of a provision in the Workers' Compensation Statute. This fund was recapitalized as a result of the review by our Actuaries in 1980.

The amounts which have to be paid monthly throughout the lifetime of the

pensioners will be taken from this reserve. At December 31, 1985, the amount in this Fund was $177,862. (See Exhibit 6).

PROVINCE OF NOVA SCOTIA CONSOLIDATED FUND

Widows and Children

An amendment to the Act in 1959 provided for certain increases in the widow's pension and allowances for children and the increases for claims prior to April 1, 1959, while being paid by the W.C.B. are to be defrayed out of the Consolidated Fund of the Province. A 1970 amendment increasing Part III widow's pension and children's allowance similarly provided for the cost of the increase from the Consolidated Fund.

Coal Miners' Pneumonoconiosis

A 1959 amendment added "coal miners pneumonoconiosis" to the Industrial Diseases Schedule of the Act. The Amendment provided that where a claim has been made prior to January 1, 1959, and if subsequently established by the Board that the worker has a disability resulting from coal miner's pneumonoconiosis, the W.C.B. may award and pay compensation and the cost is to be defrayed out of the Consolidated Fund of the Province.

Permanent Disability

Under an amendment to the Act in 1960 and as amended in 1973, Permanent Total Disability pensioners can qualify for additional awards of a temporary nature. If the pensioner had one or more dependent children under the age of eighteen years at the time of the award, then the compensation is to be computed in a like manner to compensation payable to a widow having the same number of dependent children. As the children become of age, the allowance for the child is dropped and eventually the award reverts to the regular award for the disability.

The amendment provided that the increased compensation for claims prior to May 1, 1960 while being paid by the W.C.B. is to be defrayed out of the Consolidated Fund of the Province.

An amendment in 1960 also provided that Permanent Partial Disability pensioners, where the accident occurred before April 1, 1959, had the award increased to 75% of the difference between the average earnings before and after the accident.

The amendment provided that the cost of the increased awards for these pensioners, while being paid by the W.C.B. is to be defrayed out of the Consolidated Fund of the Province.

A 1970 amendment increased permanent disability Part III cases similarly to an increase for Part 1 cases and provided that the costs of the increased awards is to be defrayed out of the Consolidated Fund of the Province.

1974 Amendments

A number of amendments which were made to the Statute in December 1973 and which became effective January 1, 1974 increased benefits to widows and children and to permanent disability cases. The increases are being defrayed out of the Consolidated Fund of the Province.

* * * * * * *

The cost of the above noted benefits paid during the calendar year 1985 for which the W.C.B. has or will be reimbursed by the Province were as follows:

Widows and Children	$ 33,000.
Coal Miners' Pneumonoconiosis	55,353.
Permanent Disability	58,211.
1974 Amendment	981,820.
	$1,128,384.

DISASTER RESERVE

This reserve is established to relieve specific industries for excess claim costs due to incidents that can be termed disaster, etc. During 1982 some transfers were made to this reserve fund to bring the reserve to a realistic level.

The balance in this reserve at the end of 1985 is $7,681,063. (See Exhibit 8)

ACCIDENT PREVENTION

The Accident Prevention Department had set an objective to reduce the number and/or severity of claims in the 80's by actively pursuing the task of making safety everyone's responsibility. To assist in this effort field officers were employed throughout the province encouraging employers and employees to become more aware of safety practices within the work environment.

This department had assembled a manual containing nine sections outlining a course of action for safety in the workplace. This manual dealt with:

— setting up policies
— putting responsibility/accountability directives together
— organizing safety committees and making them effective
— setting up a self inspection system, including form design
— utilizing awareness programming to get unity within the workforce
— services available through the W.C.B. Accident Prevention Department
— a film catalogue

Accident Prevention Activities

Accident prevention activities of the Workers' Compensation Board in 1985 continued to follow the same priority format as in 1980, i.e.:

a) Mines and Quarries
b) Steel Industry, Iron and Metal Fabrication
c) Fish Processing and Fishing Boats
d) Hotels and Restaurants
e) Forestry and Mills
f) General Contracting and Sub-Contractors
g) Health Care Institutions
h) Garages, Trucking and Transportation
i) Retail Stores and Department Stores
j) Marine Railway — Dry Docks
k) Engine and Elevator Installation and Repair
l) Awning and Tent Manufacturing
m) Municipal Operations

The stated objective of our program is to:

a) Reduce Human Suffering
b) Reduce costs of operations

Safety Awards

During the year, the following awards were presented:

Award of Honour — 19
Citation Award — 28
Commendation for Improvement — 7
Educational Accident Prevention Award — 9

There were 34 Gold Cap Awards presented to persons where the wearing of head protection prevented serious or possible fatal head injury.

Eleven Wise Owl Awards were presented to people where the wearing of eye protection prevented the person from serious injury or possible loss of sight.

Training Courses

The following courses were held during the year:

Entry Into Confined Spaces — 6 courses, 92 attending
Accident Investigation — 58 courses, 702 attending
Effective Safety Committee — 5 courses, 38 attending

Management Guide to Loss Control Correspondence Courses are available and over 858 people have taken these courses to the end of 1985.

Health Care Programming

Further to the distribution of Job Safety Analysis Manuals to hospitals and homes for special care, follow-up meetings were held with these institutions and training programs were conducted where requested mainly dealing with general awareness programming, health and safety committee, accident investigation and back awareness.

Vocational School Safety Awareness Program

Work continued with the vocational schools, institutes of technology and the adult vocational schools in co-operation with the N.S. Department of Education. Re-organization appears to have slowed the progress of the program, hopefully, 1986, should see most of the program implemented and functioning.

Safety and health audits were carried out in the 19 facilities and recommendations have been made to rectify deficiencies. The audit team reported that the co-operation and interest shown by all concerned resulted in further reductions in the number of items being found deficient and/or below acceptable standards.

Priorities in Programming Working

Since 1980, the Board established the accident prevention activity on a priority basis, focusing activity on the 20% of firms which have 80% of the accidents and absorb 80% of the board funds.

1985 statistics reveal that the total claims for the year were 29,510; also, there were 14 fatals in the classes and two fatals with self insurers. The total firms covered are 13,601 with approximately 275,000 workers.

The total accidents for 1985 were 11% less than the year 1979 — (33,107 claims). The total of 16 fatal accidents is the lowest number in the 68 year history of the Board. In comparison, in 1917 there were only 1,708 firms covered by the Board and in that year, there were 146 fatals.

ACCIDENT PREVENTION COSTS

Costs of accident prevention activities for the last five year period are as noted below:

1985	$607,890.
1984	457,396.
1983	373,482.
1982	330,078.
1981	307,621.

PAYROLLS

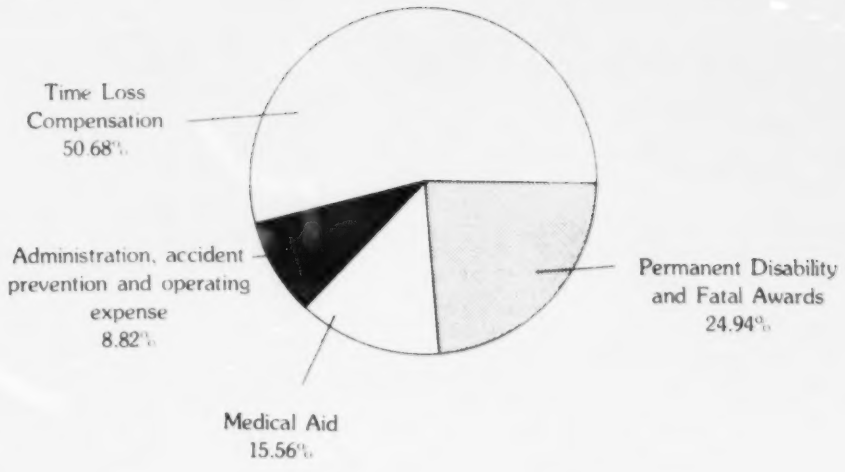
The totals of all payrolls on which assessments were made (excluding self-insurers) for the past ten year period were as follows:

	(Dollars Only)
1985	$3,141,216,316.
1984	2,772,499,121.
1983	2,547,375,861.
1982	2,389,437,035.
1981	2,199,672,604.
1980	2,051,223,837.
1979	1,742,237,235.
1978	1,621,925,537.
1977	1,511,843,239.
1976	1,418,083,866.

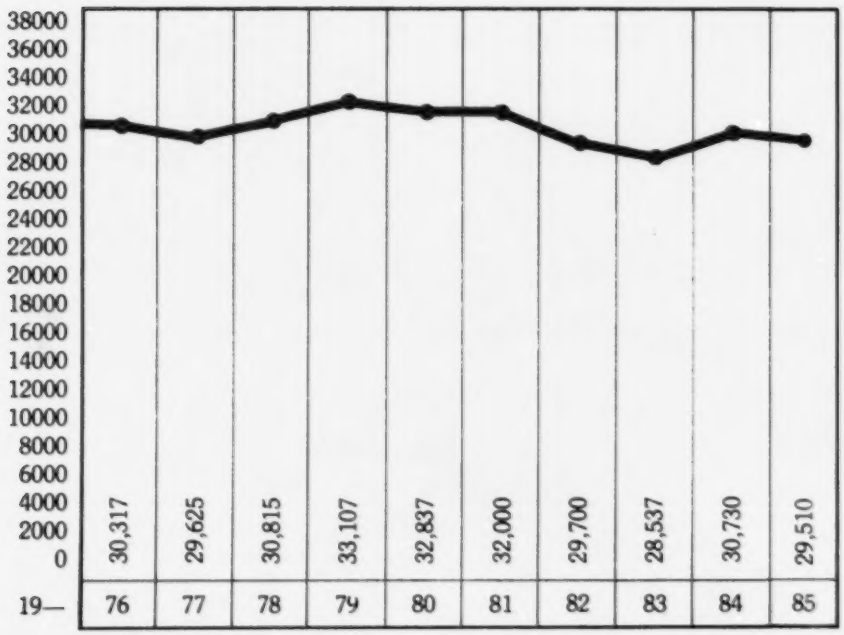
MEDICAL AID AND MEDICAL REHABILITATION COSTS

	Cost for Claims all Years (Dollars Only)
1985	$9,549,270.
1984	9,087,920.
1983	7,838,169.
1982	7,763,004.
1981	6,316,083.
1980	5,250,905.
1979	4,873,093.
1978	3,852,780.
1977	3,559,487.
1976	3,179,664.

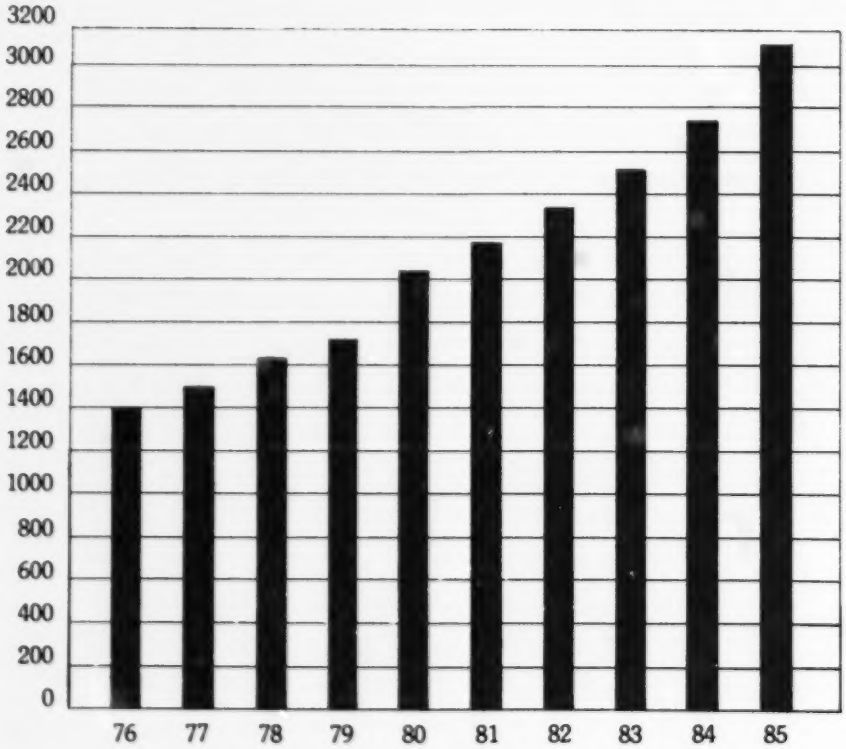
CHART SHOWING DISTRIBUTION OF EACH $1.00 OF EXPENDITURE — 1985


Time Loss Compensation 50.68%
Administration, accident prevention and operating expense 8.82%
Medical Aid 15.56%
Permanent Disability and Fatal Awards 24.94%

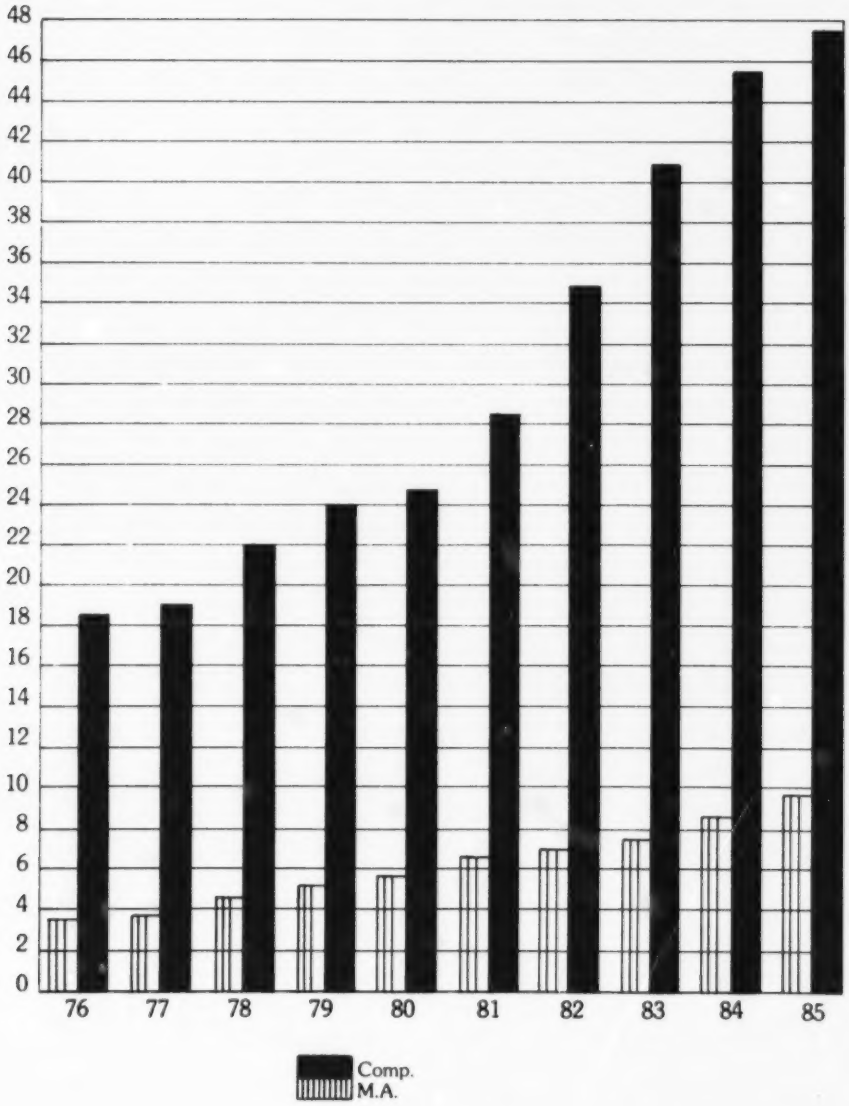
CLAIMS INITIALLY REPORTED 1976 to 1985



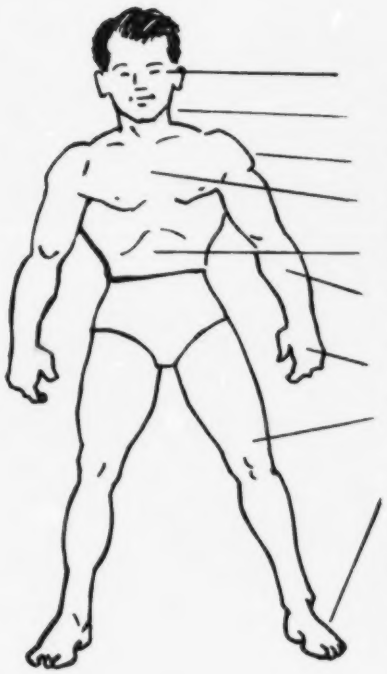
PAYROLLS ON WHICH ASSESSMENT PREMIUMS MADE (MILLION $)



COMPENSATION AND MEDICAL AID COSTS CURRENT YEAR CASES (MILLION $)



1985 ACCIDENTS REPORTED ANALYSED BY REGION OF INJURY



	Number of Claims	%
Eyes	3,297	11.17
Head & Neck	1,596	5.41
Back & Spine	5,155	17.47
Chest	789	2.67
Other Trunk	185	.63
Other Upper Extremities	2,328	7.89
Hands & Fingers	7,627	25.85
Other Lower Extremities	2,907	9.85
Feet & Toes	2,834	9.60
Multiple & Internal Injuries	2,224	7.54
Miscellaneous Injuries	568	1.92
	29,510	100.00

1985 ACCIDENTS REPORTED SHOWING OCCURENCE BY COUNTY

	Number of Claims	%
Annapolis County	351	1.19
Antigonish County	351	1.19
Cape Breton County	4,556	15.44
Colchester County	1,213	4.11
Cumberland County	1,034	3.50
Digby County	571	1.93
Guysborough County	459	1.56
Halifax County	11,990	40.63
Hants County	664	2.25
Inverness County	301	1.02
Kings County	1,443	4.89
Lunenburg County	1,643	5.57
Pictou County	1,983	6.72
Queens County	501	1.70
Richmond County	453	1.54
Shelburne County	445	1.51
Victoria County	72	.24
Yarmouth County	736	2.49
Outside of Province	744	2.52
	29,510	100.00

GENERAL OPERATING DISBURSEMENTS IN 1985

During the year 1985 the following disbursements were made:

	Year 1985	Comparative Disbursements in 1984	Comparative Disbursements in 1983	Comparative Disbursements in 1982	Comparative Disbursements in 1981
Compensation for current year accidents	$ 8,921,754.	$ 7,968,458.	$ 7,203,662.	$ 7,689,695.	$ 6,920,756.
Compensation for prior years accidents	7,690,482.	7,728,176.	7,199,653.	6,513,484.	5,477,639.
Compensation for Self insurers accidents	14,489,850.	13,969,885.	15,253,167.	13,178,060.	9,598,276.
Medical Aid for current year accidents	3,319,923.	2,969,350.	2,553,171.	2,492,525.	2,274,171.
Medical Aid for prior years accidents	4,280,844.	4,169,183.	3,245,486.	3,343,881.	2,555,288.
Medical Aid for self insurers accidents	1,948,503.	1,949,387.	2,039,512.	1,926,598.	1,486,624.
Pension Payments — life disability and fatal	14,175,371.	13,369,942.	12,339,316.	11,186,257.	9,175,949.
Additional benefits paid and recoverable from Province of Nova Scotia Consolidated Fund	1,128,384.	1,173,187.	1,226,033.	1,329,642.	1,334,461.
Total Benefits	$55,955,111.	$53,297,568.	$51,060,000.	$47,660,142.	$38,823,164.
Administration expense —W.C.B.	4,553,296.	4,546,803.	3,992,897.	3,693,401.	3,386,671.
—Occ. Health & Safety	607,890.				
Workers' Compensation Appeal Board Expense	248,944.	251,416.	223,487.	211,465.	169,930.
Total	$61,365,241.	$58,095,787.	$55,276,384.	$51,565,008.	$42,379,765.
For each operating dollar disbursed:	1985	1984	1983	1982	1981
The claimant and/or dependents were benefited	.91	.92	.92	.92	.92
General Administration expense	.09	.08	.08	.08	.08
	$1.00	$1.00	$1.00	$1.00	$1.00

FINANCIAL STATEMENTS AND TABLES OF STATISTICS

The following are the financial statements and tables of statistics relating to the operations of the Board.

Exhibit

1. Balance Sheet as at December 31, 1985
2. Statement of Income and Expenditure for the year 1985
3. Statement of Funds for the year 1985
4. Statement of Income and Expenditure by Classes for 1985 operations
5. Statement of Administration Expenses for 1985
6. Staff Pensions Liability statement
7. Pension Fund statement

7A. Contingent Reserve for Consumer Price Indexing Increase

8. Disaster Reserve Statement
9. Self-Insurers Account for the year 1985
10. Particulars of Investments
11. Statement of Income and Expenditure by Classes for the year 1984

Table

1. Accident Statistics — 1985 Preliminary
2. Accident compensation by classes — year 1984
3. Compensation cases SETTLED in 1985 by Class and Type of Claim
4. Compensation cases SETTLED in 1985 by Class and Nature of Injury
5. Compensation cases SETTLED in 1985 by Class and Region of Injury
6. Compensation cases SETTLED in 1985 by Class and Cause of Accident

AUDITOR'S REPORT
December 31, 1985

To the Members of the Board

I have examined the balance sheet of the Workers' Compensation Board of Nova Scotia as at December 31, 1985 and the statements (exhibits 1 to 11 inclusive) relative to its operations for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances, except as explained in the following paragraph.

A certificate was accepted from the Board as to the reasonable correctness of the estimated liabilities presented on the balance sheet.

In my opinion, except for the effect of adjustments, if any, to the balance sheet and other statements (exhibits 2 to 4 inclusive) for the matter referred to in the preceding paragraph, these financial statements present fairly the financial position of the Board as at December 31, 1985 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

LEONARD L. LEVY
Chartered Accountant

Halifax, Nova Scotia
March 6, 1986

EXHIBIT 1
BALANCE SHEET
As at December 31, 1985
(with comparative figures for 1984)

ASSETS

		As at December 31, 1985	Comparative December 31, 1984
Current Assets			
Temporary investments (short term)	**$9,389,070.**		$ 10,000,000.
Cash in banks and on hand	**1,948,437.**		1,710,694.
		$ 11,337,507.	11,710,694.
Assessments receivable	**1,301,454.**		1,123,106.
Less: Allowance for doubtful accounts	**130,145.**		112,311.
	1,171,309.		1,010,795.
Estimated adjustments on assessments	**373,001.**		452,391.
	1,544,310.		1,463,186.
Receivable from self insurers	**705,523.**		—
		2,249,833.	1,463,186.
Accounts Receivable		**181,883.**	93,765.
Accrued interest on investments	**3,103,333.**		3,124,745.
Accrued interest on current accounts	**19,460.**		21,586.
		3,122,793.	3,146,331.
		$ 16,892,016.	16,413,976.
Investments			
Investments — at amortized cost (See Exhibit 10)		**121,876,530.**	112,602,175.
Fixed Assets			
Office equipment, furniture, automobile and computer system (at cost less accumulated depreciation)	**238,373.**		477,201.
Real property — land and building (at cost less accumulated depreciation)	**897,612.**		916,301.
		1,135,985.	1,393,502.
		$ 139,904,531.	$130,409,653.

EXHIBIT 1 (continued)
BALANCE SHEET
As at December 31, 1985
(with comparative figures for 1984)

LIABILITIES AND RESERVES

		As at December 31, 1985	Comparative December 31, 1984
Current Liabilities			
Accounts payable	$ 143,946.		$ 645,006.
Employers credit balances	316,240.		390,590.
		$ 460,186.	1,035,596.
Estimated Liabilities for Outstanding Claims:			
Compensation for outstanding claims:—			
Year 1985	18,419,032.		18,384,829.
All prior years	24,866,579.		23,005,875.
		43,285,611.	41,390,704.
Medical Aid to complete claims:—			
Year 1985	4,603,845.		3,566,523.
All prior years	3,567,842.		2,548,277.
		8,171,687.	6,114,800.
Pensions Liability			
Life disability and fatal benefits awards (See Exhibit 7)		65,258,582.	61,271,805.
Reserves			
Disaster reserve — classes 1 to 9 (See Exhibit 8)	7,681,063.		6,415,143.
Contingent Fund	456,259.		434,759.
Contingent reserve for Consumer Price Indexing (See Exhibit 7A)	12,877,298.		12,873,527.
Staff Pensions liability fund (See Exhibit 6)	177,862.		38,233.
		21,192,482.	19,761,662.
Class Operating Balances			
Class balances arising from operations of Classes (1 to 9) to December 31, 1985 (See Exhibit 4)		1,535,983.	835,086.
		$ 139,904,531.	$130,409,653.

EXHIBIT 2
STATEMENT OF INCOME AND EXPENDITURE
(CURRENT FUND)
FOR THE YEAR ENDED DECEMBER 31, 1985
(with comparative figures for 1984)

		Year 1985	Comparative 1984
INCOME			
Assessments — net			
Assessments general industry — Classes 1 - 9	$37,473,834.		$33,366,068.
Interest and assessment penalties	261,940.		288,640.
Assessments previously written off now recovered	128.		1,819.
	37,735,902.		33,656,527.
Less: Uncollectable assessments written off	25,355.		70,816.
	$37,710,547.		33,585,711.
Self Insurers	18,054,954.		17,796,550.
		$55,765,501.	51,382,261.
Interest Earned — net			
Interest on investments, deposits etc.		8,349,943.	7,956,139.
Other Income			
Province of N.S. — Consol. Fund	1,128,384.		1,173,187.
Adjustments in provision for liability to complete claims	—		—
Transferred from disaster reserve	—		242.
Adjustments in provision for doubtful accounts	—		—
Transferred from Staff Pensions fund	—		—
Miscellaneous	—		—
		1,128,384.	1,173,429.
Total Income		$65,243,828.	$60,511,829.
EXPENDITURE			
Accident costs — net			
Compensation for time loss accidents	$31,102,086.		$29,666,519.
Medical Aid and Medical Rehabilitation	9,549,270.		9,087,920.
Pension Awards — life disability and total benefits	7,969,815.		7,849,956.
	48,621,171.		46,604,395.
Provision for additional liabilities to complete claims	3,951,794.		3,287,949.
	52,572,965.		49,892,344.
Additional benefits — recoverable from Prov. of N.S. Consolidated Fund	1,128,384.		1,173,187.
		$53,701,349.	$51,065,531.
Expenses — net			
Administration — W.C.B.	4,553,296.		4,546,803.
Administration — Occ. Health & Safety	607,890.		—
Workers' Compensation Appeal Board — Admin.	248,944.		251,416.
		5,410,130.	4,798,219.
Other Expenditures			
Adjustment in provision for doubtful accounts	17,834.		9,687.
Transferred to disaster reserve	548,932.		489,827.
Transferred to Staff Pension fund	164,235.		—
Allocation for contingent reserve	4,700,451.		4,146,708.
Miscellaneous	—		—
		5,431,452.	4,646,222.
Total Expenditures		64,542,931.	60,509,972.
SURPLUS FOR YEAR 1985		$ 700,897.	$ 1,857.
RECONCILIATION OF CLASS OPERATING BALANCE			
Class balance at December 31, 1984		$ 835,086.	$ 833,229.
Add operating surplus for year 1985		700,897.	1,857.
Class operating balance at December 31, 1985 (see Exhibits 1 & 4)		$1,535,983.	$ 835,086.

EXHIBIT 3
STATEMENT OF FUNDS
For the year ended December 31, 1985
(with comparative figures for 1984)

		Year 1985	Comparative 1984
FUNDS PROVIDED			
Assessments — net			
Employers — Classes 1 to 9	$37,448,607.		$33,297,071.
Self Insurers	18,054,954.		17,796,550.
	55,503,561.		51,093,621.
Interest on accounts and penalty assessments	261,940.		288,640.
		$55,765,501.	51,382,261.
Province of N.S. — Consolidated Fund		1,128,384.	1,173,187.
Interest earnings — net		14,592,858.	13,716,848.
Depreciation funds — Furniture & Equipment		290,758.	211,614.
— Building		46,029.	27,648.
Miscellaneous funds — net		22,518.	5,178.
TOTAL FUNDS PROVIDED		$71,846,048.	$66,516,736.
FUNDS APPLIED			
Claim Indemnity Benefits — net			
Compensation time loss accidents	$31,102,086.		$29,666,519.
Medical Aid & Medical Rehabilitation	9,549,270.		9,087,920.
Pensions — Life disability & Fatal Benefits	7,395,665.		6,774,105.
Consumer Price Index increases 1985	6,779,706.		6,595,837.
	54,826,727.		52,124,381.
Additional benefits recovered from Prov. of N.S. Consolidated Fund	1,128,384.		1,173,187.
		55,955,111.	53,297,568.
Expenses — net			
Administration — W.C.B.	4,553,296.		4,546,803.
Workers' Compensation Appeal Board — Administration	248,944.		251,416.
Administration — Occ. Health & Safety	607,890.		—
		5,410,130.	4,798,219.
Total Application of Operating Funds		61,365,241.	58,095,787.
Purchase of investments (long term) net		9,297,336.	5,975,791.
Staff Pensions		32,917.	30,632.
Purchase of Equipment		51,930.	218,810.
Real Property		27,340.	34,891.
Adjustment in provision for doubtful accounts		17,834.	9,687.
Miscellaneous		—	—
TOTAL FUNDS APPLIED		70,792,598.	64,365,598.
INCREASE IN WORKING CAPITAL		1,053,450.	2,151,138.
		$71,846,048.	$66,516,736.

ANALYSIS IN CHANGE IN WORKING CAPITAL

	December 31, 1985	December 31, 1984	Change (Increase)
Current Assets	$16,892,016.	$16,413,976.	$478,040.
Current Liabilities	460,186.	1,035,596.	575,410.
	$16,431,830.	$15,378,380.	$1,053,450.

EXHIBIT 4
STATEMENT OF INCOME AND EXPENDITURE BY CLASSES FO
DECEMBER 31, 1985
(YEAR 1985 CURRENT FUND)

INCOME (ACTUAL AND ESTIMATED)				EXPENDITURE (ACTUAL AND ESTIMATED)						
INCOME				EXPENDITURE						
	1	2	3	4	5	6	7	8	9	1
Class	Assessments and Estimated Adjustments	Interest and all other Income	Total for Year	Transferred to Reserves	Compensation Paid other than Pensions	Medical Aid Paid	Administration	Occupational Health and Safety Administration	Workers' Compensation Appeal Board Administration	Estim to Com Compe and Mi A
	$	$	$	$	$	$	$	$	$	$
1	2,115,402.	142,097.	2,257,499.	212,591.	170,692.	93,766.	89,710.	18,570.	7,605.	1,343
2	1,755,599.	253,328.	2,008,927.	213,413.	534,156.	130,967.	154,691.	32,021.	13,113.	1,103
3	3,414,617.	1,023,630.	4,438,247.	349,356.	839,219.	316,744.	294,808.	61,025.	24,991.	2,187
4	3,351,264.	995,991.	4,347,255.	1,085,152.	644,670.	280,496.	321,300.	66,508.	27,237.	1,807
5	3,204,900.	9,321. (-)	3,195,579.	456,238.	849,669.	244,827.	275,630.	57,055.	23,365.	1,886
6	5,026,871.	1,967,935.	6,994,806.	904,225.	1,327,934.	497,420.	295,929.	61,256.	25,086.	3,362
7	5,375,806.	1,818,932.	7,194,738.	754,189.	1,641,535.	690,902.	674,121.	139,542.	57,145.	3,659
8	6,992,037.	1,985,188.	8,977,225.	1,393,068.	1,539,867.	525,186.	372,507.	77,108.	31,577.	4,571
9	5,731,994.	434,103.	6,166,097.	777,491.	1,374,012.	539,615.	457,999.	94,805.	38,825.	3,100
10	36,968,490. 18,054,954.	8,611,883. —	45,580,373. 18,054,954.	6,145,723. —	8,921,754. 14,489,850.	3,319,923. 1,948,503.	2,936,695. 1,616,601.	607,890. —	248,944. —	23,022
TOTAL	55,023,444.	8,611,883.	63,635,327.	6,145,723.	23,411,604.	5,268,426.	4,553,296.	607,890.	248,944.	23,022

Class

1. Mining, Quarrying, Stone Cutting & Crushing, Sand, Clay and Gravel Digging, Cement Brick & Tile Mfg., Plaster Milling, Oil exploration & drilling etc.
2. Fishing, Whaling, Sealing, etc.
3. Lumbering, Woodworking, etc., Wood Products, Furniture Mfg., Boat Building, Paper Mfg., Pulp Mfg., etc.
4. Wholesale and Retail Stores, etc., — Hotels and Restaurants — Taverns and Lounges.
5. Iron and Steel, Structural Steel, Foundries, Metal Fabricating, Machining, Tanks, Elevators, Engines, Boilers, Railway Car Mfg., Aircraft Mfg., etc.
6. Manufacturing, Processing and Operating not otherwise specified, Oil Refining, Fish Curing, Packing, Processing, Fruit Evaporating, Packing and Canning, etc.
7. Building and General Construction, Plumbing, Electrical work, Scrapping, Concrete Products, etc.
8. Public Utilities, Municipal Operations, Road Making, Hospitals, Nursing Homes, etc.
9. Transportation, Stevedoring, Shipbuilding, Wharves, Dredging, Railways, Tugs and Harbour Vessels, Garages, Auto Mfg., Trucking, Coal, Lumber & Building Supply Yards, Warehousing, etc.
10. Self Insurers: Government of Canada, Canadian National Railways, Cape Breton Development Corporation, Province of Nova Scotia — in respect to operations not assessed in Classes 1 to 9.

Column

1. The amounts give during the year 19 actual payroll stat
2. The amounts give the amount of inte on daily Bank Bal
4. These amounts accidents and tra
5.) These amounts re
6.) for accidents whic
7. This column cover
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9. This column cov 1985.
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12.)
13.) The minus signs
14.)

EXHIBIT 4
COME AND EXPENDITURE BY CLASSES FOR THE YEAR ENDED DECEMBER 31, 1985
(YEAR 1985 CURRENT FUND)

EXPENDITURE (ACTUAL AND ESTIMATED)										
EXPENDITURE										
	6	7	8	9	10	11	12	13	14	
ation her ions	Medical Aid Paid $	Administration $	Occupational Health and Safety Administration $	Workers' Compensation Appeal Board Administration $	Estimated to Complete Compensation and Medical Aid $	Total for Year $	Class Balances for year 1985 $	Class Balances to Dec. 31 84 Revised $	Class Balances Dec. 31 85 $	Class
92.	93,766.	89,710.	18,570.	7,605.	1,343,963.	1,936,897.	320,602.	474,980. (-)	154,378. (-)	1
56.	130,967.	154,691.	32,021.	13,113.	1,103,300.	2,181,661.	172,734. (-)	116,125.	56,609. (-)	2
19.	316,744.	294,808.	61,025.	24,991.	2,187,564.	4,073,707.	364,540.	80,360.	444,900.	3
70.	280,496.	321,300.	66,508.	27,237.	1,807,416.	4,232,779.	114,476.	766,018.	880,494.	4
69.	244,827.	275,630.	57,055.	23,365.	1,886,610.	3,793,394.	597,815. (-)	1,146,695. (-)	1,744,510. (-)	5
34.	497,420.	295,929.	61,256.	25,086.	3,362,817.	6,474,667.	520,139.	822,556.	1,342,695.	6
35.	690,902.	674,121.	139,542.	57,145.	3,659,188.	7,616,622.	421,884. (-)	1,146,309.	724,425.	7
67.	525,186.	372,507.	77,108.	31,577.	4,571,695.	8,511,008.	466,217.	685,917.	1,152,134.	8
12.	539,615.	457,999.	94,805.	38,825.	3,100,324.	6,383,071	216,974. (-)	706,049. (-)	923,023. (-)	9
54.	3,319,923.	2,936,695.	607,890.	248,944.	23,022,877.	45,203,806.	376,567.	1,289,561.	1,666,128.	
50.	1,948,503.	1,616,601.	—	—	—	18,054,954	—	—	—	10
04.	5,268,426.	4,553,296.	607,890.	248,944.	23,022,877.	63,258,760.	376,567.	1,289,561.	1,666,128.	TOTAL

Less: Amount for doubtful accounts 130,145.

1,535,983.

and Gravel Digging, Cement Brick

e Mfg., Boat Building, Paper Mfg.,

ants — Taverns and Lounges.

ing, Machining, Tanks, Elevators,

ecified, Oil Refining, Fish Curing,
ning, etc.

rk, Scrapping, Concrete Products,

pitals, Nursing Homes, etc.

ging, Railways, Tugs and Harbour
ger & Building Supply Yards,

ational Railways, Cape Breton
espect to operations not assessed

EXPLANATIONS

Column

1. The amounts given in this column are the amounts of the provisional assessments made during the year 1985, including reductions in provisional rates, and are to be adjusted after actual payroll statements are received and audited.
2. The amounts given here are (a) the net amount of interest earned on Investments other than the amount of interest earned by the Pension Fund and Reserve Accounts and (b) the interest on daily Bank Balances and (c) penalties imposed for failure to comply with the Act.
4. These amounts represent transfers to the Pension Fund for Pension Awards for 1985 accidents and transfers to other Reserve Accounts.
5.) These amounts represent the actual compensation and medical aid paid in 1985
6.) for accidents which occurred in 1985.
7. This column covers the cost of administration for 1985.
8. This column covers the cost of Occupational Health & Safety for 1985.
9. This column covers the cost of Workers' Compensation Appeal Board — Administration for 1985.
10. These amounts represent estimated costs to complete claims for 1985 accidents.
12.)
13.) **The minus signs (-) in Columns 12, 13, 14 indicate a deficit in that Class.**
14.)

EXHIBIT 5
STATEMENT OF ADMINISTRATION EXPENSE FOR THE YEAR 1985

Salaries		$2,838,389.
Travelling Expenses		127,364.
Superannuation — Staff		153,676.
Canada Pension Plan — Staff		34,851.
Hospitalization & Insurance — Staff		80,424.
Unemployment Insurance — Staff		63,577.
Training Courses — Staff		10,937.
Fees to Auditor appointed by Government		6,000.
Fees for Consulting Actuaries, etc.		164,542.
Building operation & maintenance		91,838.
Claimant's General Expense		23,670.
Insurance		7,245.
Legal Services fees		10,670.
Maintenance & Service & Rental of Office Equipment		25,111.
Postage		156,942.
Printing, Stationery & Supplies		123,207.
Rental of Computer and Data Processing Equipment		54,183.
Rent of Rooms for Board Hearings		839.
Rent of Offices including Building Services		22,362.
Safety Deposit Box Rental		385.
Safety Promotion		—
Taxes — Municipal		113,390.
Telephone & Telegraph		77,421.
Depreciation — Furniture & Equipment		264,579.
Depreciation — Building		45,523.
Miscellaneous		56,171.
		4,553,296.
Occupational Health & Safety		607,890.
		5,161,186.
LESS:		
Proportion of Administration expense charged to Self Insurers:		
Government of Canada	339,175.	
Provincial Government	96,879.	
Canadian National Railways	95,361.	
Cape Breton Development Corp.	1,085,186.	1,616,601
		3,544,585.

EXHIBIT 6
STAFF PENSION LIABILITY FUND
AS AT DECEMBER 31, 1985

Balance of Fund December 31, 1984	38,233.	
Amount transferred during 1985	164,235.	
Interest for year 1985	8,311.	
		210,779.
LESS:		
Pensions payments during 1985		32,917.
Balance of Fund December 31, 1985		177,862.

EXHIBIT 7
PENSION FUND AS AT DECEMBER 31, 1985

Balance of Fund December 31, 1984	61,271,805.	
Pension Awards during 1985.....	7,969,815.	
Interest for year 1985	4,812,704.	
		74,054,324.
LESS: Net adjustment to Reserve in 1985 ..		1,400,077. (-)
		72,654,247.
DEDUCT: Pension payments during 1985...		7,395,665. *
Balance in Pension Fund December 31, 1985:		
Life	48,079,967.	
Widows	15,057,927.	
Children.....	2,120,688.	65,258,582.

* NOTE: An additional amount was paid in permanent disability and survivor benefits in 1985 due to increase in awards due to Consumer Price Indexing. See Exhibit 7A.

EXHIBIT 7A
CONTINGENT RESERVE FOR CONSUMER PRICE INDEXING INCREASES AS AT DECEMBER 31, 1985

Balance of Reserve December 31, 1984	12,873,527.	
Amount transferred during 1985	4,700,451.	
Interest for year 1985	856,792.	
		18,430,770.
Net Adjustment in Reserve in 1985.....		1,226,234.
		19,657,004.
DEDUCT: Payments during 1985		6,779,706.
Balance of Reserve December 31, 1985.....		12,877,298.

EXHIBIT 8
DISASTER RESERVE AS AT DECEMBER 31, 1985

Balance of Fund December 31, 1984	6,415,143.	
Amount transferred during year 1985.....	548,932.	
Interest for year 1985	543,145.	
		7,507,220.
Net Adjustment to Reserve in 1985		173,843.
		7,681,063.
LESS:		
Costs incurred during 1985 charged to Disaster Reserve		—
Balance of Reserve December 31, 1985.....		7,681,063.

EXHIBIT 9
SELF INSURERS ACCOUNTS
FOR THE YEAR 1985

SELF-INSURER	BALANCE OF ACCOUNT Dec. 31, 1984	REVENUE 1985	LESS: CLAIM COSTS AND CHARGES 1985	BALANCE OF ACCOUNT Dec. 31, 1985
Government of Canada	$199,946.	$ 2,111,412.	$ 2,319,764.	$ (-) 8,406.
Canadian National Railways	36,374.	827,115.	890,040.	(-) 26,551.
Cape Breton Development Corp.	451,540.	12,265,003.	13,297,754.	(-) 581,211.
Provincial Government of N.S.	(-) 91,713.	1,549,754.	1,547,396.	(-) 89,355.
	$596,147.	$16,753,284.	$18,054,954.	$ (-) 705,523.

EXHIBIT 10
PARTICULARS OF INVESTMENTS
AS AT DECEMBER 31, 1985

Securities	Par Value	Book Value
Government of Canada	$24,365,000.	$24,246,002.
Province of Nova Scotia	10,275,000.	10,260,260.
Nova Scotia Municipal Finance Corp.	2,000,000.	1,991,903.
Nova Scotia Power Commission	5,625,000.	5,558,735.
Province of Newfoundland	6,725,000.	6,749,010.
Newfoundland Municipal Finance Corp.	1,475,000.	1,454,262.
Newfoundland and Labrador Hydro	3,875,000.	3,891,534.
Newfoundland Light and Power Co.	1,200,000.	1,200,000.
Province of Ontario	1,025,000.	1,022,608.
Hydro Electric Power Commission of Ontario	6,375,000.	6,372,717.
Province of Quebec	3,884,000.	3,891,261.
Quebec Hydro Electric Commission	2,700,000.	2,678,732.
Province of New Brunswick	2,175,000.	2,175,488.
New Brunswick Electric Power Comm.	650,000.	650,618.
Manitoba Hydro Electric Board	1,250,000.	1,244,315.
Province of Prince Edward Island	2,390,000.	2,386,635.
Province of Saskatchewan	400,000.	400,000.
Province of British Columbia	1,050,000.	1,041,833.
British Columbia Hydro and Power Authority	3,500,000.	3,364,002.
City of Halifax	550,000.	565,226.
City of Dartmouth	900,000.	896,658.
City of St. John's, Newfoundland	2,783,000.	2,772,621.
Maritime Telephone & Telegraph Co.	5,675,000.	5,676,298.
New Brunswick Telephone Co.	4,025,000.	4,038,786.
Newfoundland Telephone Co.	750,000.	769,863.
Island Telephone Co.	500,000.	498,396.
British Columbia Telephone Co.	1,000,000.	1,045,490.
Bell Telephone Co.	1,990,000.	1,989,867.
Halifax/Dartmouth Regional Authority	400,000.	415,022.
Municipality of the County of Halifax	400,000.	417,354.
Municipality of Metro Toronto	1,300,000.	1,290,859.
Central & Eastern Trust Co. Ltd.	4,000,000.	4,000,000.
League Savings and Mortgage Co.	1,000,000.	1,000,000.
Nova Scotia Savings & Loan Co.	5,700,000.	5,700,224.
Credit Foncier	1,000,000.	1,000,000.
Twin Oaks Memorial Hospital Inc.	1,000,000.	1,000,000.
Musquodoboit Valley Memorial Hospital	591,684.	591,684.
Dartmouth Hospital Commission	930,000.	930,000.
Soldiers Memorial Hospital	850,000.	850,000.
Annapolis General Hospital	690,000.	690,000.
Other Securities Authorized for the Investment of Trust Funds	5,192,092.	5,158,267.
	$122,165,776.	$121,876,530.

EXHIBIT 11
STATEMENT OF INCOME AND EXPENDITURE BY CLASSES FOR YEAR 1984 AS AT DECEMBER 31, 1985

YEAR 1984						
	INCOME		LESS EXPENDITURES			
CLASS $	Assessments $	Interest and Other Income $	Accident Costs $	Administration Expense and Other Charges $	Balance From Prior Years $	Revised Balance to December 31,1985 $
1	1,909,080.	100,852.	1,218,285.	102,251.	1,164,376. (-)	474,980. (-)
2	1,502,232.	323,859.	1,841,806.	154,586.	286,426.	116,125.
3	3,421,041.	1,001,750.	3,041,074.	306,402.	994,955. (-)	80,360.
4	2,945,249.	976,332.	3,563,228.	310,447.	718,112.	766,018.
5	2,878,406.	60,434.	3,455,474.	294,139.	335,922. (-)	1,146,695. (-)
6	4,301,832.	1,837,971.	5,002,955.	301,567.	12,725. (-)	822,556.
7	5,570,927.	1,726,601.	5,809,604.	656,213.	314,598.	1,146,309.
8	6,303,787.	1,773,206.	6,406,703.	351,147.	633,226. (-)	685,917.
9	4,729,397.	443,775.	4,971,188.	444,189.	463,844. (-)	706,049. (-)
10	33,561,951. 17,796,550.	8,244,780.	35,310,317. 15,919,272.	2,920,941. 1,877,278.	2,285,912. (-)	1,289,561.
TOTAL	51,358,501.	8,244,780.	51,229,589.	4,798,219.	2,285,912. (-)	1,289,561.

TABLE 1
PRELIMINARY STATISTICS — 1985
ACCIDENTS BY CLASS OF INJURY

Class	Fatal	Permanent Disability	Temporary Disability	Medical Aid Only	Non-compensable	Total
1	—	4	117	280	74	475
2	1	1	295	130	19	446
3	3	9	879	1,075	100	2,066
4	—	2	1,208	2,103	209	3,522
5	2	37	641	1,293	145	2,118
6	2	8	1,822	2,175	244	4,251
7	2	7	1,596	2,244	305	4,154
8	2	11	1,440	2,128	238	3,819
9	2	9	1,284	2,112	206	3,613
	14	88	9,282	13,540	1,540	24,464
Self-Insurers	2	131	2,262	2,337	314	5,046
TOTAL	16	219	11,544	15,877	1,854	29,510

TABLE 2
YEAR 1984
(a) ACCIDENTS COMPENSATED BY CLASS AND TYPE OF INJURY

Class	Fatal	Permanent Disability	Temporary Disability	Medical Aid Only	Other	Total
1	3	19	154	352	77	605
2	1	9	312	143	28	493
3	—	28	977	1,255	124	2,384
4	2	22	1,067	2,335	257	3,683
5	2	83	693	1,603	137	2,518
6	1	33	1,898	2,452	327	4,711
7	2	54	1,444	2,587	267	4,354
8	2	32	1,358	2,651	301	4,344
9	3	41	1,231	2,244	212	3,731
	16	321	9,134	15,622	1,730	26,823
Self-Insurers	4	189	2,359	2,980	434	5,966
TOTAL	20	510	11,493	18,602	2,164	32,789

(b) NUMBER DEPENDENCY, RELATIONSHIP AND RESIDENT OF DEPENDENTS RE 1984 FATAL CLAIMS

Relationship of Dependents	Totally Dependent	Partially Dependent	Resident In N.S.	Non-Resident In N.S.
Widows	9	—	9	—
Children	16	—	16	—
Fathers	—	—	—	—
Mothers	—	—	—	—
Others	—	—	—	—
Totals	25	—	25	—

(c) SUMMARY FATAL CASES 1984

Pensions to Widows and Children	9
Pensions to Children (no widows)	0
Life Pensions (Other than widows)	0
Limited Pensions (other than children) and cash settlement	0
No Dependents, burial expenses only	5
No Dependents, no burial expenses	0
Non-compensable Claims	6
TOTAL	20

STATISTICAL REPORT OF ACCIDENT CLAIMS SETTLED IN YEAR 1985

The compensable accidents which were settled during 1985 have, for statistical purposes, been analyzed by main classes of industry as shown by the following Tables 3 to 6 inclusive.

NOTE:

These statistics only include CLAIMS SETTLED during 1985 (regardless of actual year of the accident) and EXCLUDE all the many MINOR CLAIMS (Approx. 20,000) where time loss did not extend to 3 days or more or where only Medical Aid was required.

It is again emphasized the following Tables relate to SETTLED CASES during 1985 and not REPORTED CASES. Many accidents settled in 1985 occurred in prior years but were not closed until 1985.

Generally a claim is reported as SETTLED when a claimant is able to resume work and payments of compensation are closed. Possibly a permanent disability rating may be involved either at that time or at a later date. Some claims are also reactivated again in future years due to a further or recurring disability resultant from the original accident.

The information shown by these Statistical Tables is based on a standard accident statistics coding procedure.

TABLE 3
COMPENSABLE CASES SETTLED IN 1985
BY CLASS AND TYPE OF INJURY

Class	Fatal	Permanent Total Disability	Permanent Partial Disability	Temporary Total Disability	Total
1	8	1	68	141	218
2	2	—	31	319	352
3	3	—	88	1,016	1,107
4	2	—	58	1,367	1,427
5	2	—	172	703	877
6	2	—	105	2,059	2,166
7	3	1	141	1,741	1,886
8	3	1	102	1,608	1,714
9	2	—	124	1,458	1,584
	27	3	889	10,412	11,331
Self-Insurers	16	2	644	2,671	3,333
TOTAL	43	5	1,533	13,083	14,664

TABLE 4
COMPENSABLE CASES SETTLED IN 1985
BY CLASS AND NATURE OF INJURY

Class	Amputations	Burns and Scalds	Cuts, Lacerations, Punctures	Sprains and Strains	Fractures and Dislocations	Eye Injuries	Herniae	Industrial Diseases	All Other Injuries	TOTALS
1	6	5	47	73	31	10	–	19	27	218
2	3	7	106	150	50	4	7	4	21	352
3	21	20	373	438	107	31	15	11	91	1,107
4	7	97	371	719	116	9	20	18	70	1,427
5	11	30	174	381	60	30	15	22	154	877
6	28	62	701	1,077	111	24	22	29	112	2,166
7	20	45	479	869	233	48	26	21	145	1,886
8	5	47	288	1,030	147	19	23	22	133	1,714
9	11	44	320	851	138	55	33	10	122	1,584
	112	357	2,859	5,588	993	230	161	156	875	11,331
Self-Insurers	10	43	587	1,651	190	56	27	489	280	3,333
TOTAL	122	400	3,446	7,239	1,183	286	188	645	1,155	14,664

TABLE 5
COMPENSABLE CASES SETTLED IN 1985
BY CLASS AND REGION OF INJURY

Class	Eyes	Head and Neck	Back and Spine	Chest	Other Trunk	Hands and Fingers	Other Upper Extremities	Feet and Toes	Other Lower Extremities	Multiple and Internal Injuries	Miscellaneous	TOTAL
1	10	13	45	3	1	36	11	30	28	41	—	218
2	4	7	87	20	—	86	42	47	41	16	2	352
3	31	50	249	50	6	226	99	138	175	83	—	1,107
4	9	36	417	38	10	399	115	167	140	90	6	1,427
5	30	88	224	16	5	160	51	105	98	90	10	877
6	24	47	562	67	8	701	266	169	194	120	8	2,166
7	48	48	485	54	8	401	137	259	271	162	13	1,886
8	19	58	628	42	12	250	149	174	195	168	19	1,714
9	55	53	483	54	9	253	131	182	210	144	10	1,584
	230	400	3,180	344	59	2,512	1,001	1,271	1,352	914	68	11,331
Self-Insurers	56	127	826	98	20	419	229	340	433	769	16	3,333
TOTAL	286	527	4,006	442	79	2,931	1,230	1,611	1,785	1,683	84	14,664

TABLE 6
COMPENSABLE CASES SETTLED IN 1985
BY CLASS AND CAUSE OF ACCIDENT

Class	striking Against	Struck By	Caught In, On, Or Between	Collisions, Derailments and Wrecks	Falls and Slips	Conflagrations, Temperature Extremes and Explosions	Inhalation, Absorption, Ingestion	Contact with Electric Current	Over Exertion	Miscellaneous	TOTALS
1	4	72	27	2	39	4	21	—	46	3	218
2	20	86	42	2	104	6	1	—	89	2	352
3	73	403	81	3	181	8	18	2	333	5	1,107
4	145	233	69	7	299	93	14	2	544	21	1,427
5	43	159	81	4	176	30	21	—	360	3	877
6	177	459	179	6	391	44	48	1	848	13	2,166
7	140	379	90	13	538	30	23	7	655	11	1,886
8	68	194	86	20	409	37	23	1	839	37	1,714
9	101	288	100	28	376	40	13	3	628	7	1,584
	771	2,273	755	85	2,513	292	182	16	4,342	102	11,331
Self-Insurers	174	521	166	13	838	27	493	2	1,087	12	3,333
TOTAL	945	2,794	921	98	3,351	319	675	18	5,429	114	14,664